

COVID-19 Response: Economic Impact Payments

Who is eligible to receive an Economic Impact Payment check?

Any U.S. citizen or permanent resident with a Social Security number (SSN) that is valid for employment, cannot be claimed as a dependent on someone else's tax return, and with a qualifying adjusted gross income (see below) is eligible to receive the payment. This includes individuals who are recipients of government benefits such as Social Security or Veteran Affairs pensions.

Spouses of military members are eligible without a SSN.

How much money will those eligible receive?

The full credit amount (\$1,200 individuals, \$2,400 couples, \$500 for children) is available for individuals with AGI at or below \$75,000 (\$112,500 for heads of household), and couples with AGI at or below \$150,000. If you have children dependents under the age of 17, you will receive an additional \$500 per child.

Is the payment includible in my gross income or taxable income for 2020?

No, the payment is not includible in your gross income. Therefore, you will not include the payment in your taxable income on your federal income tax return or pay income tax on your Payment. It will not reduce your refund or increase the amount you owe when you file your 2020 federal income tax return.

Will the payment affect my eligibility for federal programs, like Supplemental Security Income?

No, the payment will not affect your income for purposes of determining eligibility for federal government assistance or benefit programs.

Could my Economic Impact Payment be offset by any outstanding money owed to the government?

The payments are not subject to the majority of offsets, including student debt and state debts. The only administrative offset that will be enforced applies to those who have past due child support payments that the states have reported to the Treasury Department.

What can I do if I receive a payment for less than I believe I am eligible for? (Example: My qualified dependent was not included.)

If you did not receive the full amount to which you believe you are entitled, you will be able to claim the additional amount when you file your 2020 tax return. For VA and SSI recipients who don't have a filing requirement and have a child, they need to use the Non-Filer tool (see below) on the IRS website by May 5, 2020 in order to have the \$500 added automatically to their \$1,200 Economic Impact Payment.

What can I do if I receive a payment for more than I believe I am eligible for? (Example: I receive an additional \$500 for a child who is no longer a dependent under the age of 17.)

There is no provision in the law requiring repayment of a payment. When you file next year, you can claim additional credits on your 2020 tax return if you are eligible for them, for example if your child is born in 2020. However, you won't be required to repay any payment when filing your 2020 tax return even if your qualifying child turns 17 in 2020 or your adjusted gross income increases in 2020 above the thresholds listed above.

For Individuals who filed a tax return with the IRS in 2018 or 2019.

How will the IRS determine who receives a payment and how much that payment will be?

For those that have filed a return with the IRS in 2018 or 2019, the IRS will use the most recent tax return to determine eligibility.

Where will the IRS send my payment?

If you received direct deposit of your refund based on your 2019 tax return (or 2018 tax return if you haven't filed your 2019 tax return), the IRS will send your payment to the bank account provided on the most recent tax return. If you filed a Form 8888, Allocation of Refund, with your tax return to split your refund into multiple accounts, your payment will be deposited to the first bank account listed. You cannot change your account information.

If you filed your 2019 or 2018 tax return but did not receive your refund by direct deposit, your payment will be mailed to the address the IRS has on file even if you also receive Social Security, Railroad Retirement or Veterans Affairs benefits by direct deposit. This is generally the address on your most recent tax return or as updated through the United States Postal Service (USPS).

If you did not receive your refund by direct deposit based on your 2019 tax return (or 2018 tax return if you haven't filed your 2019 tax return), you have the opportunity to provide bank account information through the IRS <u>Get My Payment</u> tool before your payment is processed. Direct deposit is the fastest way to receive your payment.

When will I receive my payment?

The IRS began sending payments in April 2020, and they are continuing to send more every week. While there is no set date for when particular people will receive their payment, you can track your payment status through the Get My Payment tool on the IRS website.

For Individuals who did NOT file a tax return with the IRS in 2018 or 2019

Are non-tax filers eligible to receive a payment?

Yes, eligible retirees and recipients of Social Security retirement, disability (SSDI), survivors benefits, Railroad Retirement, or veterans benefits, as well as individuals who do not make enough money to normally have to file a tax return are eligible for the payment. This includes those who have no income, as well as those whose income comes entirely from federal benefit programs, such as supplemental security income (SSI) benefits. No minimum income is needed for the payment.

Where will the IRS send my payment?

Non-filer recipients of Social Security retirement, disability (SSDI), survivors benefits, Railroad Retirement, or VA Compensation and Pension benefits will automatically receive a \$1,200 payment. You do not need to contact the IRS, Social Security Administration (SSA), the Railroad Retirement Board (RRB) or Veterans Affairs. The IRS will use the information from your 2019 benefits to generate a payment. You will receive your payment however you normally receive your federal benefits – most likely as a direct deposit or by mail.

For individuals who do not receive any of the above-mentioned benefits but also did not file taxes in 2018 or 2019, they must use the <u>Non-Filers: Submit Payment Info Here</u> tool on the IRS website to answer a few simple questions before receiving their payment. This tool will ask for a name, address, SSN, number of dependents, and direct deposit bank account information.

When will I receive my payment?

The IRS began sending payments in April 2020, and they are continuing to send more every week. While there is no set date for when particular people will receive their payment, you can track your payment status through the <u>Get My Payment</u> tool on the IRS website.

Please note that as of April 29, 2020, the data of SSI and VA benefit recipients is not yet in the IRS system. Therefore, using the Get My Payment tool will not work for these individuals. Please continue to check the IRS website daily for updates.

I have a dependent child under the age of 17, and I am a recipient of Social Security retirement, disability (SSDI), survivors benefits, Railroad Retirement, or VA Compensation and Pension benefits. I do not file taxes. How can I receive \$500 for each dependent?

You must use the <u>Non-Filers: Submit Payment Info Here</u> tool on the IRS website and register to have \$500 per child added to your Economic Impact Payment. If you do not register each child online, you will not receive the additional \$500 per child this year.

The deadline to register dependents for SSDI and Railroad Retirement recipients who do not file taxes was April 22, 2020. If you missed this deadline, your payment at this time will be \$1,200 and, by law, the additional \$500 per eligible child amount will be paid in association with a return filing for tax year 2020.

The deadline to register dependents for SSI and VA recipients who do not file taxes is May 5, 2020. If you miss this deadline your payment at this time will be \$1,200 and, by law, the additional \$500 per eligible child amount will be paid in association with a return filing for tax year 2020.

Information on Dependents

Can I receive a payment if I am claimed as a dependent on another taxpayer's tax return?

No, anyone who is claimed as a dependent on another taxpayer's tax return is not eligible to receive the \$1,200 payment themselves.

Can I receive a \$500 child credit for a dependent claimed on my tax return if that child is 17 or older?

No, children 17 and older are not eligible for the \$500 per child tax credit.

I am a recipient of Social Security retirement, disability (SSDI), survivors benefits, Railroad Retirement, or VA Compensation and Pension benefits. I do not file taxes, and I have a dependent child under the age of 17. How can I receive \$500 for each dependent?

You must use the <u>Non-Filers: Submit Payment Info Here</u> tool on the IRS website and register to have \$500 per child added to your Economic Impact Payment. If you do not register each child online, you will not receive the additional \$500 per child this year.